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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/797,889	03/10/2004	James Benjamin Williams	D-51	5049

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EXAMINER

WASYLCHAK, STEVEN R

ART UNIT PAPER NUMBER

3624

DATE MAILED: 11/30/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

10/797,889

Applicant(s)

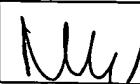
WILLIAMS ET AL.

Examiner

Steven R. Wasylchak

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 13 September 2004.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-13, 15-22 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-13, 15-22 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION
RESPONSE TO AMENDMENT

1. This action is in response to the amendment of Sept. 12, 2004; claims 1-13,15-22 are pending.

2. Examiner responds to arguments: the choice or option between lump sum or annuity is disclosed in the abstract ("...changes in asset allocation..."); col 2, L 15-25, 26-54; col 1, L 60 to col 2, L 13; col 3, L 49-53; col 7, L 28-31; col 8, L 58-63. The security is a negotiable contract such as an annuity.

Claim Rejections - 35 USC § 103

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claims 1-22 are rejected under 35 U.S.C. 103(a) as being disclosed by Facciani et al. US (5,999,917).

Claims:

1. The method of issuing and managing investment instruments which comprises, in combination, the steps of:

-establishing an investment fund, /abstract (NQDC, mutual fund, insurance policy, annuity)

-creating a claim against and is secured by said investment

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fund, entitling its holder to receive, at one or more future maturity dates specified by said security, either a lump sum payment amount or, at the option of said holder, to receive a sequence of annuity payments, the amount and payment date of each of said annuity payments being specified by said security, /col 1, L 37 to col 2, L 12 (security or financial instrument is a unit in a mutual fund); col 7, L 42-64 (secured asset). However, Facciani et al. does not explicitly disclose a security. Official notice is taken that this feature is old and well known in the art. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature for the advantage of establishing an agreement or contract representing a financial instrument creating liability and commercial liquidity.

- transferring said security to a purchaser in exchange for a purchase price amount, /claim 8; col 7, L 28-31
- depositing at least a substantial portion of said purchase price amount into said fund, /col 1, L 37 to col 2, L 12
- investing the assets of said fund so that the net asset value of said fund at said maturity date should be adequate to pay to said holder either said lump sum payment amount or an amount adequate to purchase said annuity, and/ col 1, L 37 to col 2, L 12; claim 9
- on or after said maturity date, transferring either said lump sum payment amount or said annuity to said holder as elected by said holder. / col 1, L 37 to col 2, L 12

2. A method for producing and distributing investment securities comprising, in combination, the steps of:

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-creating a contract in which the issuer of the promises to pay to the holder a predetermined guaranteed lump sum cash payment at a predetermined maturity date or to pay, in the alternative and at the option of the holder, a sequence of predetermined annuity payments at defined times, and/ col 1, L 60 to col 2, L 13. However, Facciani et al. does not explicitly disclose a security. Official notice is taken that this feature is old and well known in the art. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature for the advantage of establishing an agreement or contract representing a financial instrument creating liability and commercial liquidity.

-issuing said security to a holder in advance of said maturity date in return for a purchase price payment./ col 1, L 60 to col 2, L13; col 7, L 28-31

3. (new) The method of issuing and managing investment instruments which comprise, in combination, the steps of:

establishing an investment fund or general account,/abstract; col 1, L 23-66

creating a written instrument which represents a number of units or shares owned by the holder of said instrument, each of said units or shares constituting a claim against or being secured by said investment fund or general account, said investment entitling its holder to receive, at a future maturity date specified by said security either a lump sum payment amount or, in the alternative and at the option of said holder, to future income consisting of a single monetary unit of specified currency payable for each of said units

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or shares at periodic calendar intervals/ col 3, L 32-64; col 1, L 24-59; col 6, L 13-15; col 7, L 5-48

transferring the rights conferred by said written instrument to a holder in exchange for a purchase price amount, and/ col 3, L 32-64; col 1, L 24-59; col 6, L 13-15; col 7, L 5-48
on or about said maturity date, transferring to said holder either said lump sum payment amount or the right to receive said future income as elected by said holder./ col 3, L 32-64; col 1, L 24-59; col 6, L 13-15; col 7, L 5-48

4. (new) the method of issuing and managing investment instruments as set forth in claim 3 after comprising the step, performed during an accumulation period after said step of transferring and before said future maturity date, of publishing. reporting or otherwise revealing both: the amount of said future income and the stated current monetary value of said units or shares expressed in said specified currency./ col 3, L 32-64; col 1, L 24-59; col 6, L 13-15; col 7, L 5-48

5. (new) The method of issuing and managing investment instruments or contracts as set forth in claim 4 wherein said instrument holder entitles its holder to redeem upon request made during said accumulation period some or all of said units or shares for said stated current monetary value./ col 3, L 32-64; col 1, L 24-59; col 6, L 13-15; col 7, L 5-48

6. (new) the method of issuing and managing investment instruments or contracts as set forth in claim 3 where said single monetary unit of a specified currency payable for each of said units or shares at periodic calendar intervals is a specified integral

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number of dollars payable monthly, quarterly or yearly for each of said units or shares./
col 1, L 23-59

7. (new) the method of issuing and managing investment instruments or contracts as set forth in claim 3 where said single monetary unit of specified currency payable for each of said units or shares at periodic calendar intervals is one dollar per month for each of said unit or shares./ col 3, L 32-64; col 1, L 24-59; col 6, L 13-15; col 7, L 5-48

8. (new) The method of issuing and managing investment instruments or contracts as set forth in claim 5 wherein said single monetary unit of a specified currency payable for each of said units or shares at periodic calendar intervals is a specified interval number of dollars payable monthly, quarterly or annually for each of said units or shares./ col 1, L 23-59

9. (new) The method of issuing and managing investment installments or contracts as set forth in claim 5 wherein said single monetary unit of specified currency payable for each of said units or shares at periodic calendar intervals is one dollar per month for each of said units or shares./ col 1, L 23-59

10. (new) A method for issuing and redeeming an investment instrument that entitles its holder to receive a specified minimum annuity income after a maturity date, said method comprising, in combination the steps of issuing an investment instrument denominated as a number of units or shares each of which entitles the owner of sad instrument to receive a specified monetary unit of a specified currency payable at periodic calendar intervals after said maturity date./ col 1, L 23-59

paying to said owner of said instrument at said maturity date a minimum lump sum cash

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payment specified by said instrument or, in the alternative and at the option the said owner, transferring to said owner in exchange for said instrument or said lump sum payment the right to receive for each of said unit or shares at least said specified monetary unit of said specified currency payable at said periodic calendar intervals./ col

1, L 23-59; col 3, L 32-64; col 1, L 24-59; col 6, L 13-15; col 7, L 5-48

11. (new) A method for issuing and redeeming an investment instrument as set forth in claim 10 wherein said specified monetary unit in a specified currency payable at said periodic calendar intervals is one dollar per month for each of said units or shares./ col 3, L 32-64; col 1, L 24-59; col 6, L 13-15; col 7, L 5-48

12. (new) method of issuing and redeeming an investment instrument as set forth in claim 10 wherein said instrument further entitles its holder to redeem upon request made prior to said maturity date some or all of said units or shares for a state currency monetary value per unit or share periodically published, reported or revealed by the issuer of said instrument./ col 3, L 32-64; col 1, L 24-59; col 6, L 13-15; col 7, L 5-48

13. (new) the method of issuing and redeeming an investment instrument as set forth in claim 11 wherein said instrument further entitles its holder to redeem upon request made prior to yield to maturity date some or all of said units or shares for a stated current monetary value per unit or share periodically published, or reported or revealed by the issuer of said instrument./ col 1, L 23-59

14. none

15. (new) The method of issuing and managing an investment instrument denominated as a number of units or shares each of which entitles a holder to receive a

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specified monetary unit of a specified currency at periodic calendar intervals, said method comprising the steps of issuing said product to said holder in exchange for an initial investment,/ col 3, L 32-64; col 1, L 24-59; col 6, L 13-15; col 7, L 5-48 after issuing said product, periodically publishing, reporting or otherwise revealing to said holder the stated current monetary value of said units or shares,/ col 3, L 32-64; col 1, L 24-59; col 6, L 13-15; col 7, L 5-48 on or about at a specified future maturity date, paying a lump sum monetary payment to said holder which will provide a specified minimum rate of return on said initial investment during the accumulation period preceding said maturity date, and/ col 3, L 32-64; col 1, L 24-59; col 6, L 13-15; col 7, L 5-48. However, the reference does not explicitly disclose guarantee ability.

Official notice is taken that this feature is old and well known in the art. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature for the advantage of minimizing risk.

at the option of said holder exercised on or about said maturity date, converting all or part of said product or said lump sum monetary payment into the right to receive a guaranteeable annuity income consisting of at least said specified monetary unit of said specified currency for each of said units or shares payable at each of said periodic calendar intervals./ col 3, L 32-64; col 1, L 24-59; col 6, L 13-15; col 7, L 5-48. However, the reference does not explicitly disclose guarantee ability.

Official notice is taken that this feature is old and well known in the art. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to

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implement this feature for the advantage of minimizing risk.

16. (new) The method of issuing and managing an investment product as set forth in claim 15 further comprising the step of redeeming said investment product at the request of said holder during said accumulation period by purchasing from said holder all or part of said units or shares prior to said maturity date for an amount substantially equal to said current monetary value of said units or shares./ col 3, L 32-64; col 1, L 24-59; col 6, L 13-15; col 7, L 5-48

17. (new) The method of issuing and managing investment instruments or contracts as set forth in claim 15 wherein said single monetary unit of a specified currency payable for each of said units or shares at periodic calendar intervals is a specified integral number of dollars payable monthly, quarterly or annually for each of said units or shares./ col 1, L 23-59

18. (new) The method of issuing and managing investment instruments or contracts as -set forth in claim 15 wherein said single monetary unit of specified currency payable for each of said units or shares at periodic calendar intervals is one dollar per month for each of said units or shares./col 3, L 32-64; col 1, L 24-59; col 6, L 13-15; col 7, L 5-48

19. (new) The method of issuing and managing an investment product that allows its holder to own a liquid investment asset and to know with reasonable certainty both the asset's minimum value at a future maturity date and to know the minimum annuity income that the asset can provide after said maturity date, said method including the steps of:

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denominating said product as a number of units or shares each of which provide a minimum annuity income that said holder will have the right to receive each month after said maturity date, said minimum annuity income being expressed as a single monetary unit of a specified currency,/col 3, L 32-64; col 1, L 24-59; col 6, L 13-15; col 7, L 5-48 periodically publishing, reporting or otherwise revealing to said holder the stated current monetary value of said units or shares,/ col 3, L 32-64; col 1, L 24-59; col 6, L 13-15; col 7, L 5-48

upon demand made by said holder made prior to said maturity date, exchanging all or part of said units or shares for a redemption value substantially equal to said stated current monetary value, col 3, L 32-64; col 1, L 24-59; col 6, L 13-15; col 7, L 5-48 paying to said holder at said maturity date at least a specified minimum lump sum payment amount, and/ col 1, L 44-59. However, the reference does not explicitly disclose guarantee ability.

Official notice is taken that this feature is old and well known in the art. It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to implement this feature for the advantage of minimizing risk.

20. (new) The method of issuing and managing an investment product as set forth in claim 19 wherein annuity provides said annuity income during the life said holder or the lives of said holder and a survivor, said product further specifies adjustments to the amount to be paid monthly based on the age of the holder or the age of the holder's survivor at the time all or part of said specified lump sum payment is converted to said annuity./ col 3, L 32-64; col 1, L 24-59; col 6, L 13-15; col 7, L 5-48;

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21. (new) The method of issuing and managing and investment product as set forth in claim 19 wherein said single monetary unit of a specified currency payable for each of said units or shares at periodic calendar intervals is a specified integral number of dollars payable monthly, quarterly or annually for each of said units or shares./ col 3, L 32-64; col 1, L 24-59; col 6, L 13-15; col 7, L 5-48

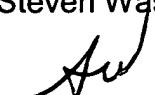
22. (new) The method of issuing and managing an investment product as set forth in claim 21 wherein said single monetary unit of specified currency payable for each of said units or shares at periodic calendar intervals is one dollar per month for each of said units or shares./ col 3, L 32-64; col 1, L 24-59; col 6, L 13-15; col 7, L 5-48

This action is **FINAL**. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Steven R. Wasylchak whose telephone number is (703) 308-2848. The examiner can normally be reached on Monday-Thursday from 7:00 a.m. to 6:00 p.m. EST.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin, can be reached at (703) 308-1065. The fax number for Art Unit 3624 is (703) 872-9306.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 308-1113.

Steven Wasylchak


11/22/04


VINCENT MILLIN
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